Exhibit 18

INTEROFFICE CORRESPONDENCE
(Reno Office)

TO:	U.S. Borax / Los Angeles	**DATE:**	May 21, 1992
ATTENTION:	R.C. Munro	**RENO FILE:**	
FROM:	R.J. Kellie & S.B. Carpenter	**YOUR FILE:**	
SUBJECT:	Hamm Mine Core Drilling	**COPIES TO:**	R.B. Kistler P. Moreau

SUMMARY

With the information gained from the recently completed USB core drilling, some 1.83 MM tons of combined minable talc ores with a waste-to-ore ratio of 0.52:1 are calculated within the confines of the planned open pit at the Hamm mine in Vermont. From past drilling, the bulk of ore is hosted in foliated talc/carbonate schist containing, on the average, between 55-75% talc. The USB drilling, however, intersected primarily talc/carbonate grit, having a slightly lower talc content.

Fibrous amphiboles (actinolite) were observed only within chloritized mafic dikes, extending, in places, a couple of inches into the contacting talc ore. An XRD amphibole scan, made on all sampled core intervals, yielded negative results. Soluble arsenic was analyzed and found to be essentially nil. The most arsenic reported in any one sample interval was 0.94 ppm. Green filter brightness ranged from 70-80%.

To obtain immediate analytical results, initial analyses were made at the CIM Columbia Mill in Ludlow, VT. Independent verification of these mostly favorable results, particularly arsenic analyses, should be made as soon as the resumption of due diligence will allow. A split of each core sample interval was retained for this purpose.

In all, four holes, totalling 1027 feet, were drilled. The direct drilling cost was $15.91 per foot of NQ (1.75" diameter) core.

BACKGROUND & DISCUSSION

The Hamm orebody is a lens of massive talc/carbonate and talc/carbonate schist derived from serpentinite. The talc deposit measures over a thousand feet along strike and attains a maximum thickness of nearly 400 feet. Overall, the Hamm orebody strikes NE and dips moderately to the SW. Talc is bounded by foot wall and hanging wall schist country rock. Unaltered serpentinite limits the deposit along strike. The northern limit of the current open pit is a couple of hundred feet south of the inactive Windham underground mine. The two ore bodies are contiguous.

Presently, the Hamm mine is CIM's largest single producer of talc ore in Vermont. Last year's crude ore production was 104,000 tons and accounted for over one-third of the total Vermont mine out-put. About half of the Hamm production goes to completely supply feedstock for the nearby dry-grind plant in Chester. The balance of mine production is sent to the West Windsor (38,000 tons) and Johnson (18,000 tons) flotation mills where, respectively, specialty concentrates are produced for the Johnson & Johnson and Avon accounts. Only the Hamm ore contains both the degree of lamellarity and crude brightness necessary to ultimately meet rigid cosmetic-grade specifications.

Generally speaking, there are two types of Hamm ore: massive talc/carbonate "grit" (ore types 30 & 40) and talc/carbonate schist (ore types 10 & 20). The numerical ore type designations are primarily useful in inventorying the talc reserves. Talc/carbonate ores typically contain 40-60% talc and range in brightness from 72-76%. Talc/carbonate schist, although containing on average more talc (>55%), usually has constituent chloritoid grains. Chlorite adversely affects ultimate brightness, especially in a flotation cell where it behaves much like talc.

Ore sorting, done in the pit at the time of mining, is made on the basis of talc and arsenic content and color rather than numerical ore type. Blast holes are analyzed for brightness, talc and arsenic content and the presence of amphiboles. Currently, flotation feedstock must contain <1 ppm arsenic and contain a minimum non-chlorite brightness of 68%. Talc/carbonate (type 30) and talc/carbonate schist (type 20) are blended in roughly equal portions. As final flotation recovery only averages 30%, the carbonate content of the ore is minimized as much as possible, however, the addition of type 30 ore greatly improves overall grindability. Any ore containing amphibole is wasted. The balance of ore is essentially used to make industrial (dry-grind) products.

In spite of production demands and its overall strategic value, the ore reserves at the Hamm mine were poorly understood. Previous drilling had not delineated the talc body with respect to country rocks nor was ore continuity with depth clearly established. In order to adequately measure the remaining ore reserves, additional drill information was needed, particularly at depth within the limits of the proposed pit. It was also necessary to interpret, with new drilling, existing sources of information. Many of the available drill logs simply referred to "type 30", or "type 20" ore; some simply stated "talc", or "non-ore". Believe it or not, some holes were not even logged or analyzed. Due diligence drilling was clearly necessary to complete the evaluation of the important Hamm reserves.

Four, in-pit sites were selected as follows:

92-1 To test the extent of "type 30" ore (talc/carbonate, 40-55% talc) exposed in the pit bottom; delineate serpentinite mass.

92-2 To add confidence to a large area of projected reserves on section 4 + 00 and delineate the amphibolite exposed in the southern pit wall.

92-3 To provide data in previously untested middle of the open pit on section 5 + 00.

92-4 Same as 92-3 and fix the hanging wall location in the center of the deposit.

A drill hole location map and revised mine sections are provided in the drilling appendix.

DRILLING

Maine Diamond Drilling was selected as the drilling contractor on the basis of their submission of the lowest bid. A skid-mounted, Longyear 38, wire-line drill rig drilled a total of 1027 feet of NQ core in four holes. Core recovery was generally good and averaged over 95%. All core loss occurred in talc; most loss was at contacts with mafic dikes or in highly faulted zones. The drilling was completed in 8 working days, working a single, 10-hour daily shift. Direct drilling costs totalled $16,342.75, or $15.91/foot. The contract mining company, MacKenzie Construction, provided moving assistance into and out of the pit and between drill sites. The drilling was accomplished, without delay, although normal mining activity was ongoing during the course of drill campaign.

Upon completion of drilling, each hole collar was surveyed as to grid location and elevation. Holes 92-1,2 & 3 were simply abandoned by pulling the surface casing and allowing the hole to cave. Hole 92-4 was plugged with cement to stem artesian water flow.

LOGGING & SAMPLING

Drill cores were logged on-site as to lithology, amphibole content and core recovery. The table on the following page contains lithologic summaries for each core hole; detailed log summaries replete with analytical data and the original core logs are contained in the drilling appendix.

Cores were logged according to the classification scheme in use at CIM's Vermont operations. Ore was classified on the basis of both texture and talc content. Three ore types were encountered during the drilling: Type 20 - foliated talc/carbonate schist (55-70% talc), Type 30 - talc/carbonate "grit" (40-55% talc), and Type 40 - talcose dolomite/serpentinite (<40% talc). In reality, talc contents averaged about five percentage points higher in the Hamm drill cores. All of the talc ores contained variable amounts of dark grey to black magnesite, minor amounts of opaque material (some of it magnetite) and locally, grains of iron sulfide. Much of the type 20 ore contained chlorite which gave it a greenish color, but it didn't seem to adversely affect the final brightness.

Drilled internal waste rock was comprised of serpentinite and chloritized, mafic dike. Hole 92-4 penetrated garnet schist foot wall. Fibrous actinolite was seen in chloritic dikes and occasionally extended a few inches into the talc ore at contacts. No other asbestos-form minerals were noted in the drill cores.

Analytical sample intervals were selected primarily on the basis of ore type. Whenever possible, sample length was 15 feet. The minimum sample length was 10 feet unless the interval bounded internal waste rock. Talc ore observed to contain fibrous amphibole was not included in a sample interval.

SUMMARY OF DRILL HOLES, HAMM MINE
CHESTER, VERMONT

HOLE #	FOOTAGE	ORE TYPE	ROCK TYPE
92-1	0 - 21	30	Talc carbonate
	21 - 30	60	Serpentinite
	30 - 59	30	Talc carbonate
	59 - 90	60	Serpentinite
	90 - 172	30	Talc carbonate
	172 - 235	20	Talc carbonate schist
	235 - 249	50	Chloritic dike
	249 - 250	20	Talc carbonate schist
92-2	0 - 218	30/20	Talc carbonate and talc carbonate schist
	218 - 227	50	Mafic dike, chloritized
	227 - 265	30/20	Talc carbonate and talc carbonate schist
92-3	0 - 20	83	Gneiss
	20 - 28	50	Chloritic dike
	28 - 75	30/20	Talc carbonate, some talc carbonate schist
	75 - 130	60	Serpentinite
	130 - 205	30	Talc carbonate
	205 - 241	60	Serpentinite
	241 - 245	30	Talc carbonate
92-4	0 - 15	83/50	Gneiss, chloritic dike, massive quartz vein
	15 - 30	30	Talc carbonate
	30 - 55	50	Chloritic dike, minor talc
	55 - 62	30	Talc carbonate
	62 - 77	83	Schist, biotite
	77 - 150	30	Talc carbonate
	150 - 177	60	Serpentinite
	177 - 265	30	Talc carbonate
	265 - 267	83	Gneiss, biotite garnet (foot wall)

After logging and sample interval selection, ore type 30 and 40 core was broken into nominal 4 inch sections. Every other section was split using a manual core splitter and sampled, resulting in an overall one-quarter core split for analytical purposes. Type 20 ore, owing to the impossibility of manually splitting the core parallel to the core axis, was broken along foliation partings every 2 inches with a hammer. Every fourth "disk" was collected whole for analytical testing. In this way, a one-quarter split was obtained.

ANALYTICAL TESTING

Bagged core samples were taken to the Cyprus Columbia Mill in Ludlow, VT, for testing. After crushing to 1/4 inch minus, each sample was split down to a one-pound fraction for analyses (a two-pound split was retained from each sample interval for independent analyses when the due diligence is resumed). The sample was then pulverized to pass 325 mesh and tested for talc content, brightness, and presence of arsenic and amphibole.

The talc content was determined by the Lecco process which measures carbon (magnesite) content. The insoluble fraction is taken to be talc. Soluble arsenic is determined by atomic absorption from a two-normal digestion. All samples underwent a 10.2-11 range XRD scan to detect the presence of amphibole. Green filter brightness was measured by Neotec color process.

Drill core samples typically contained between 50-75% talc. The simple average of all ore sampled was 60% talc. The talc content of textural type 30 ore was consistently found to exceed the 55% upper classification limit. Otherwise, the range of talc contents fit well into the Vermont classification scheme. The analyses, contained in the analytical appendix, should be used in conjunction with the core logs. The insol content cannot always be attributed solely to talc as some talcose serpentinite intervals were sampled.

The arsenic content of the samples tested was essentially nil. The highest levels were found in the bottom 25 feet of hole 92-2 and averaged just 0.88 ppm As. No correlation to physical parameters was noted in the drill cores. Increased sulfide content did not lead to an increase in arsenic content. In the pit, arsenic was observed as oxidized coatings on fracture surfaces. One reason our drilling did not contain significant amounts of arsenic may be the fact that only deep, reduced portions of the deposit were tested. It would be wise, however, to make independent analyses.

XRD scanning did not reveal the presence of amphibole in the drill core. This is consistent with the selected sample intervals. Brightness values generally ranged from 70-80% and didn't seem to be affected by the presence of chlorite. Again, independent confirmation is suggested.

ORE RESERVES

The recent USB drilling has provided sufficient information to measure, with some confidence, the remaining, in-pit talc reserves at the Hamm mine. Proven and probable talc ore is estimated to be 1.83 MM tons with an in-pit waste-to-ore ratio of 0.52:1. This calculation assumes a final pit bottom at an elevation of 1600 feet and sixty-degree pit walls. Type 20 ore (talc/carbonate schist, 55-75% talc) totals some 1.2 MM tons, the bulk of the talc reserves.

The latest CIM calculation (Carl Consalus - 8/30/91) showed a combined minable ore reserve of 3.4 MM tons with an in-place strip ratio of 0.8:1 when using similar pit parameters. This is nearly twice the ore reserve we calculate. It should be mentioned, however, that an anonymous CIM report reports a geologic reserve of +6 MM tons and a minable reserve of 1.75 MM tons @ a 2:1 overall strip ratio.

Although no definitive mine plan exists for the Hamm deposit, practical considerations will most likely limit the final pit depth to an elevation of 1600 feet. Presently the bottom of the pit is at 1800 feet. Expansion of the pit, below 1600 feet, will be constrained by the McCandless property boundary on the east and the prohibitive cost of waste stripping on the west, or hanging wall side of the deposit.

The due diligence drilling points to a problem with internal waste which was not apparent from existing data. Every hole encountered at least one chloritized mafic dike containing actinolite. Additionally, hole 92-4 encountered some 10 feet of quartz veining. Three of the holes penetrated up to 60-foot thick zones of serpentinite. If the orientations of these bodies are concordant with the overall structure of the talc deposit, the thicknesses observed in drill core are close to being orthagonal. Since many of these bodies are not observed at the present mine elevation, the serpentinite may well thicken or even coalesce at depth. This will certainly present future ore control problems and may limit reserves.

The following table lists, by section, the measured proven and probable minable ore reserves. The mine sections which contain the USB due diligence drilling are included in the drilling appendix.

HAMM MINE ORE RESERVES

HAMM MINE		PROVEN AND PROBABLE		
Section	Throw	Type 20	Type 30	Waste
2+50	125	104,170	-	417,440
4+00	125	520,830	185,150	92,790
5+00	100	75,630	208,330	86,870
6+00	125	221,350	257,810	24,290
7+50	125	234,380	26,040	325,510
Totals		1,156,360	677,330	946,900
Total In-Pit Ore		1,833,690		
Waste/Ore Ratio				0.52

Certainly the majority of talc ore, drilled during the due diligence study, most properly fits the category of talc/carbonate, type 30 ore. This is inconsistent with the reserve totals reported above which show just the opposite. This is particularly evidenced in sections 2 + 50 and 7 + 50 which are not influenced by the recent drilling. In spite of this new information, the reserve is still largely based upon old sources of data. It may well be that additional drilling will shift the overall balance to a majority of type 30 ore. This isn't necessarily bad as talc/carbonate ore exibits superior grinding characteristics, is typically free of amphibole and usually has higher brightness. The talc content is, however, 10-15 percentage points lower than that contained in type 20 ore.

As is always the case, more drilling is still necessary to completely model the Hamm ore deposit.